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PERETORE & PERETORE, P.C. 136 Woodbury Road, Suite L-2 Woodbury, New York 11797 (973) 729-8991 Attorneys for Fleet Financing Resources, LLC

/s/ Scott D. Chait
Scott D. Chait, Esq.
SDC#1967

UNITED STATES BANKRUPTCY COURT SOUTHERN DISTRICT OF NEW YORK

X Case No. 16-22589(RDD)

: Chapter 11
:
: LIMITED OBJECTION OF
: LIMITED OBJECTION OF
: FLEET FINANCING RESOURCES, LLC
: TO DEBTOR'S MOTION REQUESTING
: USE OF CASH COLLATERAL

Debtor.
:
:

Fleet Financing Resources, LLC ("<u>Fleet</u>"), a lessor of the debtor, Allways East Transportation Inc. ("<u>Debtor</u>"), files this limited objection to Debtor's Motion Requesting Use of Cash Collateral (Doc. No. 38) for the following reasons:

TRANSACTIONAL HISTORY

1. On about September 26, 2013, Fleet, as Lessor, and Debtor, as Lessee, entered into that certain Vehicle Lease Agreement ("Lease 1") pursuant to which Debtor was to make monthly lease payments for the lease and use of 4 school buses. A true and accurate copy of Lease 1 is attached hereto as **EXHIBIT A**, and is incorporated herein by reference as if set out in full.

- 2. In addition, on about September 22, 2015, Fleet, as Lessor, and Debtor, as Lessee, entered into another Vehicle Lease Agreement ("Lease 2"; and collectively with Lease 1 the "Leases") pursuant to which Debtor was to make monthly lease payments for the lease and use of 4 additional school buses. A true and accurate copy of Lease 2 is attached hereto as **EXHIBIT B**, and is incorporated herein by reference as if set out in full.
- 3. Upon information and belief, it is Fleet's understanding based upon on Debtor's representations, that Debtor is using the leased vehicles in its possession.

OBJECTION

4. Fleet files this limited objection to the extent Debtor's motion does not provide for payments to Fleet under the Leases in accordance with 11 U.S.C. §365(d)(5). Specifically, under said bankruptcy code provision, a Chapter 11 debtor or trustee must begin performing the debtor's obligations under an unexpired lease of personal property (other than for consumer goods) within 60 days after the petition was filed and continue to do so until lease is assumed or rejected. 11 U.S.C. §365(d)(5). Here, the petition was filed on April 28, 2016. Thus, starting June 27, 2016, Debtor must begin making lease payments to Fleet under the Leases. While Debtor's thirty-day budget (Ex. C to Debtor's Motion) contains a \$313,519.00 line item for "Bus & Automobile Lease Expenses", it is unclear as to whether or not it includes payments to Fleet. Moreover, neither the Motion nor the proposed form of Interim Order approving the use of cash collateral appear to contain any time constraints on the use of cash collateral (other than for the use of cash collateral to only be authorized until a final cash collateral order is entered). Thus, combined with the uncertainty in the budget, Fleet cannot discern if and when Debtor proposes to perform its section 365 obligations as to Fleet.

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CONCLUSION

For all the foregoing reasons, Fleet respectfully requests that this Court reject Debtor's motion to the extent the budget does not provide for Debtor's performance of its lease obligations to Fleet in accordance with 11 U.S.C. §365(d)(5).

PERETORE & PERETORE, P.C. Attorneys for Secured Creditor Fleet Financing Resources, LLC

By: /s/ Scott D. Chait
Scott D. Chait, Esq.

Dated: June 3, 2016

EXHIBIT A

16-	22589-rad	Doc 41 Filed 06/	HICLE LEASE &	ed 06/03/16 11:2 <i>1</i> 18 REEMENT	7:04 Main	Document
(Lessor)	es, LLC.	10370 Harret Str Riverside, CA 9 Phone (981) 710	eet, Suite 350 12503 1-11010 Fax (951) 7	Lease Aç		Date: 09/26/13
A. Lessee:	Allways Ea: 870 Nepper Yonkers, N	st Transportation, Inc. han Avenue Y 10703		Action Auto Mart, Inc. 416 Mamaroneck Ave Mamaroneck, NY 1054	nue	
B. Equipme	nt Description:	See Attached Suppleme	ent -Lessee acknow	ledges receipt of Suppler	nent	
C. Schedule	of Payments:			у таки		
Initial Term (In months)	Total number of Payments	Amount of Each Payment (Plus applicable taxes)	Total Initial Paymo	ent \$20,000.00 Last in advance		
37	37	SEE ATTACHED SUPPLEMENT	X	Last in advance	Doc. Fee	Deposit NONE
Mileage Cha	rges: <u>Unlimited</u> m		month period. Lessee m	ust pay zero cents per mile for m	ileans in excess of t	
Mileage Charges: Unlimited miles may be accumulated per each 12-month period. Lessee must pay zero cents per mile for mileage in excess of the allowed amount. Disposition Alternative: TRAC Lease (See reverse or following page, section 5, for description of Disposition Alternative) D. DISCLABMER OF WARRANTIES AND CLAIMS: LIMITATION OF REMEDIES. THERE ARE NO WARRANTIES BY OR ON BEHALF OF LESSOR AND NEITHER THE SUPPLIER NOR ANY OTHER PARTY IS LESSORS AGENT. LESSEE ACKNOWLEDGES AND AGREES BY ITS SIGNATURE BELOW AS FOLLOWS. (A) LESSOR MAKES NO WARRANTIES EITHER EXPRESSED OR IMPLIED AS TO THE CONDITION OF THE EQUIPMENT, ITS MERICHANTABILITY. ITS RITNESS OR SUITABILITY FOR ANY PARTICULAR PURPOSE, ITS DESIGN, ITS CONDITION, ITS CAPACITY, ITS QUALITY. OR WITH RESPECT TO ANY CHARACTERISTICS OF THE EQUIPMENT; (B) LESSEE SHE EQUIPMENT IS NOT PROPERLY INSTALLED. DOES NOT OPERATE AS REPRESENTED OR WARRANTIED BY THE SUPPLIER OR MANUFACTURER OF COMMERCIAL OR BUSINESS PURPOSES; (D) IF THE EQUIPMENT IS NOT PROPERLY INSTALLED. DOES NOT OPERATE AS REPRESENTED OR WARRANTIED BY THE SUPPLIER OR MANUFACTURER OF THE EQUIPMENT IS NOT PROPERLY INSTALLED. DOES NOT OPERATE AS REPRESENTED OR WARRANTIED BY THE SUPPLIER OR MANUFACTURER OF THE EQUIPMENT AND NOT AGAINST LESSOR; (E) LESSEE SHALL HAVE NO REMEDY FOR CONSEQUENCE, LESSEE'S ONLY REMEDY, IF ANY, SHALL BE AGAINST THE SUPPLIER OR MANUFACTURER OF THE EQUIPMENT AND NOT AGAINST LESSOR; (E) LESSEE SHALL HAVE NO REMEDY FOR CONSEQUENCE LESSEE'S ONLY REMEDY, IF ANY, SHALL BE AGAINST THE SUPPLIER OR MANUFACTURER OF THE EQUIPMENT AND ANY PURPOSE SHALL RELIEVE LESSEE OF THE OBLIGATION TO MAKE PAYMENTS OR RELIEVE LESSEE OF ANY OTHER OBLIGATION UNDER THIS AGREEMENT. E. Starturbory Finance Lesse ("Agreement"): Lessee acknowledges and agrees that Lessee has selected both: 1) the Equipment and 2) Supplier from whom Lessor is to purchase the Equipment. Lessee acknowledges that Lessor has not participated in Lessee is selected to the Supplier of the Equipment to purchase the Equipment. Lessee and th						
THIS A NON-CANCELABLE AGREEMENT LESSEE UNDERSTANDS AND ACKNOWLEDGES THAT NO SUPPLIER, NOR ANY SALESMAN, OR AGENT OF ANY SUPPLIER, IS AN AGENT OF LESSOR, NO SUPPLIER, NOR ANY SALESMAN, OR AGENT OF ANY SUPPLIER, IS AN AGENT OF LESSOR, NO SUPPLIER, NOR ANY SALESMAN, OR AGENT OF ANY SUPPLIER.						
MON AN I SACESMAN, ON AGENT OF ANY SUPPLIER, IS AUTHORIZED TO WAIVE OR ALTER ANY TERM OR CONDITION OF THIS I FARE, AND NO REPRESENTATION AS						
TO THE EQUIPMENT OR ANY OTHER MATTER BY THE SUPPLIER, NOR ANY SALESMAN, OR AGENT OF ANY SUPPLIER, SHALL IN ANY WAY AFFECT LESSEE'S DUTY TO PAY THE RENTALS AND TO PERFORM LESSEE'S OBLIGATIONS SET FORTH IN THIS LEASE.						
	_	RESOURCES, LLC.	Lessee	<i>Y</i>)	ansportation, Inc) A
By:	Muls	Celleur	Signatu	re: ATULL	<u>, </u>	
Title: An	Authorized Office	cer Thereof	Title:	Joseph Koller, F	President	

Guaranty: In consideration of Lessor its successors and assigns enlering in to this Agreement, the party(s) or individual(s) executing this Guaranty ("Guarantor" whether one or more) unconditionally and inevocably guaranty to Lessor and Lessor's assigns, the prompt payment and performance of all obligations of the Lessor. Guarantor agrees that this is a guaranty of payment and not of collection, and that Lessor can proceed directly against Guarantor without first proceeding against Lessee or against the Equipment covered by the Agreement. Guarantor waives all defenses and notices, including those of protest, presentment, and demand. Guarantor agrees that Lessor can renew, extend, or otherwise modify the terms of the Agreement and Guarantor will be bound by such changes. If Lessee defaults under the Agreement, Guarantor will immediately perform all obligations of Lessee under the Agreement, including, but not limited to, paying all amounts due under the Agreement. Guarantor will pay to Lessor all expenses (including aborteys' fees) incurred by Lessor in enforcing Lessor's rights against Guarantor. This Guaranty will not be discharged or affected by the death, dissolution, termination, bankruptcy or insolvency of Lessee or Guarantor and will bind Guarantor's heirs, personal representatives, successors and assigns. If more than one Guarantor has signed this Guaranty, each Guarantor agrees that higher liability is joint and several. Guerantor authorizes Lessor or any of Lessor's designees to obtain and share with others credit bureau reports regarding Guerantor's personal credit, and make other credit inquiries that Lessor determines are necessary. This GUARANTY IS GOVERNED BY THE LAWS OF THE STATE OF CALIFORNIA. GUARANTOR CONSENTS TO THE JURISDICTION OF ANY STATE OR FEDERAL COURT LOCATED IN CALIFORNIA OR IN ANY OTHER

Individual al Guarantor Signature

TERMS AND CONDITIONS

1. Definitions; Reports: The words "you" and "your" refer to the LESSEE, its successors and assigns, as shown on the reverse side or preceding page, as applicable (the "first page"). The words "we", "us", and "our refer to the LESSOR, its successors and assigns as shown on the first page. You authorize us and our designees to obtain investigative credit reports regarding you and each guarantor from a credit bureau or a credit agency and to Investigate the references given on any statement or data obtained, and to share such reports with others.

2. Acceptance: Lessee agrees to inspect the Equipment and to execute an Acknowledgement and Acceptance. of Equipment by Lessee notice, as provided Lessor, after Lessee is satisfied that the Equipment is satisfactory in every respect to the Equipment. Lessee hereby authorizes Lessor to insert in this Lease serial numbers or other identifying data with respect. We agree to lease to you, and you agree to lease from us, the equipment, items. products, software, services, and other personal property described or referenced on the first page ("Equipment") for the term shown on the first page ("Initial Term"). We shall have no obligations hereunder until we accept and sign this Agreement at our offices. If this Agreement is executed by you and thereafter sent to us by facsimile transmission, then until such time as we have received the Agreement with your manual signature thereon, such facsimile transmission shall constitute, upon acceptance and execution by us in our offices, the original Agreement and chattel paper and shall be admissible for all purposes as the original Agreement. You agree to promptly forward to us the Agreement with your manual signature thereon and upon receipt by us the Agreement with your manual signature thereon shall constitute the chattel paper in lieu of such facsimile transmission.

STATE WHERE LESSOR HAS AN OFFICE. GUARANTOR EXPRESSLY WAIVES ANY RIGHT TO A TRIAL BY JURY.

3. Payments/Interim Rent: This Lease shall commence upon the written acceptance hereof by Lessor. You promise to pay us the payments shown on the first page, in advance, commencing as of the first day of the initial Term and continuing on the tenth day of each month in which a payment is due, without need of an invoice; provided, as indicated in the Schedule of Payments, the payments included in Total Initial Payment shall be paid upon your execution of this Agreement. If the contemplated lasse transaction is not consummated, the Total Initial Payment may be retained by us as pertal compensation for costs and expenses incurred in preparation for the transaction. On the first day of the Initial Term, you agree to pay us an interim test amount equal to 1/30° of the monthly rental matipilied by the number of days elassing between the date on which the interior ment is made to the Supplier and the first day of the Initial Term

Your obligation to make payments and payments and payments hereunder is absolute and unconditional and not subject to abatement, reduction or selection and reason whatsoever. If the date on which all payments have been made to the Supplier for the Equipment is the tenth day of a calendar month, then the Initial Term shall commence on such date; otherwise, the Initial Term shall commence on the tenth day of the following calendar month; and in each case the Initial Term shall continue for the number of months indicated on the

16-22589-rdd Doc 41 Filed 06/03/16 Entered 06/03/16 11:27:04 Main Document VEHICLE LEASE ACTREMENT

Terms and Conditions - Continued Agreement Number: 103234

The Deposit shown on the first page shall not bear interest and we may apply the Deposit to cure any default, in which event you will promptly restore the Deposit to its full amount. After all of the obligations under this Agreement are fully paid and performed, any remaining balance of the Deposit shall be refunded to you after the return of the Equipment to us at the termination of the Initial Term or of any Renewal Term

4. Liability; Location: We are not responsible for any losses or injuries caused by the installation or use of the Equipment. You agree to reimburse us for and to defend us against all claims for losses or injuries caused by the Equipment. You agree to maintain records showing the location of each item of Equipment. You shall report such location to us upon our request. Your failure, to maintain records showing the location of each item of Equipment and/or to report the location of each item or Equipment shall constitute default

5. Maintenance; Installation: You are responsible for installing and keeping the Equipment in good working order. You shall not make any atterations, additions, or improvements to the Equipment, which detract from its economic value or functional utility. All adducers and improvements made to the Equipment shall be deemed accessions thereto, and shall not be removed if removal would impair the Equipment's economic value of functional utility. If the Equipment is damaged or lost, you agree to continue making scheduled payments unless you pay the Casualty Value as set forth below.

6. Return; Disposition Alternatives: Option to Purchase: At the end of the Initial Term, or any Renewal Term, you will, at your expense, immediately return the Equipment to us in a condition as good as received less normal wear and tear to any place in the United States we designate and maintain proper insurance until received by us. You also agree to pay us an administration fee of \$100.00 for processing the return of the Equipment. You will also continue to make payments until the Equipment is received and accepted by us. So long as no default exists, at the end of the initial Term and/or any Renewal Term, you will be liable for the terms and conditions of the Disposition Alternative Indicated on the first page and described in detail below. In all cases, if you elect to purchase the Equipment or are required to purchase the Equipment, upon payment of the amount indicated on the first page ("Option Amount") plus any and at fees, sales taxes and other applicable taxes, we will transfer the Equipment to you AS IS-WHERE IS, WITHOUT ANY REPRESENTATION OR WARRANTY and we will release any security interest we may have in the Equipment. Unless expressly set forth in the indicated Disposition Alternative, you will have no option to purchase the Equipment. For any Disposition Alternative that includes an option to purchase, such purchase amount ("Option Amount") will be indicated on the first page or set forth in the Disposition Alternative. You will be responsible for any and all fees, sales tax and other applicable taxes plus any obligations we owed to you or your assigns associated with an Option Amount.

- Fair Market Value (FMV): If this Alternative is selected, at the end of the Initial Term, you shall have the option to: (a) return the Equipment in accordance with Section 6 or (b), purchase all (but not less than all) of the Equipment for a Purchase Amount that is equal to the Equipment's Fair Market Value.
- Stated Purchase Option: If this Alternative is selected, at the end of the Initial Term, you shall have the option to: (a) return the Equipment in accordance with Section 6 or (b) purchase all (but not less than all) of the Equipment for the stated Purchase Amount.
- Dollar Purchase Option: At the end of the Initial Term, you may purchase the Equipment for such
- D. Trac Lease: At the end of the initial Term, you must satisfy the terms of the Trac Lease Addendum. Lessee acknowledges receipt of Trac Lease Addendum.

 Closed End Lease: At the end of the Initial Term, you must satisfy the terms of the Closed End Lease
- Addendum. Lessee acknowledges receipt of Closed End Lease Addendum
 Other: If this Purchase Alternative in indicated, an addendum explaining the terms and conditions of said alternative must be included in this Agreement.

7. Insurance: You agree at all times to: (1) insure the Equipment against risk of loss, in an amount no less than the full replacement value of the Equipment, with loss payable to the Lessor. (ii) maintain general public liability insurance, including but not limited to product liability coverage, insuring Lessor and Lessee, with a severability of interest endorsement, or its equivalent, against any and all loss or liability for all damages, either to persons or property or otherwise, which might result from or happen in connection with the condition, use, or operation of the Equipment, with such limits and with an insurer satisfactory to Lessor, and (iii) name us on the policy as Loss Payee and Additional Insured at as required by us and from anyone who is acceptable to us. You agree to provide us certificates or other evidence of insurance acceptable to us, before this Agreement term begins, and during the term. If at any time you have failed to deliver to us a valid certificate of insurance reflecting such insurance as being in effect, then we will, in addition to the other remedies available hereunder. have the right, but no obligation, to: (1) have such insurance protecting us placed for the lerm of this Agreement at your expense and if so placed, we will add to your payment and you will pay us our costs of obtaining such insurance and any customary charges or fees of ours or our designee associated with such nce together with interest thereon at the maximum rate permitted by applicable law, and/or (ii) charge a late charge as set forth below.

8. Taxes and Fees: You agree to pay when due or reimburse us for all taxes, fees, fines and penalties relating to use or ownership of the Equipment or to this Agreement, including documentary stamp taxes, now

or hereafter imposed, levied or assessed by any federal, state or local government or agency.

9. Personal Property: This Agreement is a lease. Your rights to the Equipment are those solely of a lessee. ver, this Agreement is construed to be a financing, you grant us a security interest in the Equipment and all proceeds thereof and further grant to you a security interest in all of our accounts, accounts receivables, and rights to payment, whether now existing or arising in the future and further agree that said security interest in our accounts, accounts receivables and rights to payment secure all of our obligations to you or your assigns. The Equipment will be and shall remain personal property and, if requested by us, you will obtain real property waivers satisfactory to us. You shall keep the Equipment free from any and all liens and encumbrances. You shall give us immediate notice of any attachment or other judicial process, liens or

and encumbrances. You shall give us immediate noise of any attachment or other judicial process, liens or encumbrances affecting the Equipment. You also agree to pay us on demand filing, registration, and releasing tees prescribed by the Uniform Commercial Code ("UCC") or other law.

10. Titled Equipment. Any Equipment that is subject to title registration shall be titled and registered as directly by us within 10 days of Lessea's receipt of the Equipment. If the Equipment is not timely or properly registered within 10-day period, then, in addition to the other remedies available hereunder, Lesses shall be charged a late charge as set forth brow and for each additional 30-day term the Equipment remains unregistered or improperly registers.

(Lessee's Initial)

11. Default: Remedies: If you do not pay when the office of you weach or fail to perform any of your other covenants and promises under this Agreement of any other agreement entered into by you and held or serviced by us or if you declare bankniptoy or insolvently or if you dissolve or terminate your entity existence or take any actions regarding the cessation or winding up of your business affeirs, you will be in default if

or take any actions regarding the cessation or winding up of your business affairs, you will be in default. If

Lessee is in detaclt. Lessor may enter upon Lessee's premises and without any court order or other process of law may repossess and remove the Equipment, or render the Equipment unusable without removal, either with or without notice to Lessee hereby waive any trespass or right of action for damages by reason of such entry. remove: or disabling. Any such repossession shall not constitute a termination of this lease unless Lessor so notifies Lessee in writing. If you are in default, at our election, we can accelerate and require that you pay as reasonable liquidated damages for loss of bargain, the "Accelerated Balance". The Accelerated Balance will be equal to the total of (i) accrued and unpaid amounts, (ii) the remaining payments and (iii) the actual cost to us of the Equipment multiplied by 20%. We can also pursue any of the remedies available to us under the UCC or any law. In addition, you agree to pay our reasonable attorneys' fees and actual costs including repossession and collection costs, and all non-sufficient funds charges and similar charges. To the extent permitted by law, you waive all rights and remedies conferred upon a lessee under Article 2A of the UCC

12. Late Charge: If Lessee shall fall to make any payment required by this Lease within 10 days of the due date thereof. Lessee shall pay to the Lessor a service charge of 8% of the amount due, provided, however, that not more than one such service charge shall be made on any definquent payment regardless of the length of the delinquency. In addition to the service charge, Lesses shall pay to the Lessor a \$100 delault fee with respect to any payment, which becomes thirty (30) days past due. Lessee shall pay to Lessor any actual additional expenses incurred by Lessor in collection efforts. Lessee shall pay to Lessor interest on any delinquent payment or amount due under this Lease from the due date thereof until paid at the lesser of the maximum rate of interest allowed by law or 18% per annum.

13. Time of Essence: Time is of the essence of this Lease, and this provision shall not be impliedly waived

by the acceptance on occasion of late or defective performance.

14. Assignments; Inspection: YOU HAVE NO RIGHT TO SELL, TRANSFER ASSIGN, SUBLEASE OR ENCUMBER THE EQUIPMENT OR THIS AGREEMENT. We may sell, transfer, assign, or encumber this agreement. You agree that it we sell, transfer, assign, or encumber this Agreement, the assignee will have the rights and benefits that we assign to the assignee and will not have to perform any of our obligations. You agree that the rights of the assignee will not be subject to any claims, defenses or set-off that you may have against us. We and our agents and representatives shall have the right at any time during regular business hours to inspect the Equipment and for that purpose to have access to the location of the Equipment.

15. Risk of Loss: You hereby assume and shall bear the entire risk of loss, theft damage and destruction of the Equipment form any cause whatsoever and no loss, their, damage or destruction of the Equipment shall relieve you of the obligation to make scheduled payments or any other obligation under this Agreement, and this Agreement shall remain in full force and effect, except as provided below. You shall promptly notify us in writing of such loss, theft, damage, or destruction. If damage of any kind occurs to any item of Equipment, you, at our option, shall at your expense (a) place the item in good repair, condition or working order, or (b) if the Equipment cannot be repaired or is lost, stolen or suffers a constructive loss under an insurance policy covering the Equipment, pay to us the "Casualty Value." The Casualty Value will be equal to the total of (i) accrued and unpaid amounts. (ii) the remaining payments discounted to present value using the Federal Funds rate as of the date of payment, and (iii) the actual cost to us of the Equipment multiplied by 20% (similarly discounted to present value from the date of expiration of the Initial Term).

16. Choice of Lawr, Consent to Jurisdiction; Venue: This Agreement shall be interpreted, and all rights and

liabilities of the parties hereto and thereunder shall be determined and governed as to validity, interpretation, enforcement and effect, by the laws of the State of California. Without limiting the right of Lessor to bring any action or proceeding against Lessee in the courts of other jurisdictions, Lessee hereby irrevocably submits to the jurisdiction of any State or Federal court located in California or in any other state where Lessor has an office. Lessor and Lessee expressly waive any right to a trial by Jury.

17. Indemnity. Lessee shall indemnify Lessor against any claims, actions, damages, or liabilities, including all attorney fees, arising out of our connected with Equipment, without limitation. Such indemnification shall survive the expiration, cancellation, or termination of this lease. Leasee waives any immunity Lessee may have under any industrial insurance act, with repart to indemnification of Lesson.

18. Miscellaneous: During the term of this Agreement and any renewal hereof, you agree to provide us with all financial statements and copies of federal or state tax returns as we may reasonably request. If we supply you with labels, you shall label all terms of Equipment and shall keep the same affood in a prominent place. At Lessor's sole discretion and election, Lessor reserves the right to install a Telematics System (TS) into the Vehicle. In the event Lessor installs TS into the Vehicle, the TS shall not be removed from the Vehicle without Lessor's prior written consent. At all relevant times, the TS shall remain Lessor's property. If any provision hereof or any remedy herein provided is found to be invalid under any applicable law, such provisions shall be mapplicable and deemed omitted, but the remaining provisions hereof, including remaining detail remedies, shall be given effect in accordance with the marrilest intent hereof. You agree that any delay or failure to enforce our rights under this Agreement does not prevent us from enforcing any rights at a later time. You agree that the terms and conditions indicated above and on the first page are a complete and exclusive statement of our agreement and they may be modified only by written agreement signed by all of the parties hereto and not by course of performance. You agree that the microfilm or electronic duplication may be introduced in lieu of the original thereof and without further foundation. The parties hereto expressly wave the secondary evidence rule. You acknowledge receipt of a copy of this Agreement. You agree that this Agreement will be binding upon your successors, assigns, heirs, and legal representative. If your signature on any financing statement is required by law, you shall execute such supplemental instruments and financing statements we deem to be necessary and advisable and shall otherwise cooperate to defend our title by filing or otherwise. You agree that our waiver of any provision hereunder shall not constitute a waiver of any other It is the express intent of the parties not to violate any applicable usury laws or to exceed the maximum amount of time price differential or interest, as applicable, permitted to be charged or collected by applicable law, and any such excess payment will be applied to payments in inverse order of maturity, and any remaining excess will be refunded you.

19. Irrevocable Limited Power of Attorney: Lessee does hereby irrevocably appoint Lessor and/or its assigns the true and lawful Attorney-In-Fact coupled with and interest with full authority and power to do and perform all and every act and thing whatsoever requisits and necessary to be done in the premises, as fully, to all intent and purposes as Lesses might or could do if personally present, with full power of substitution and revocation, to complete, sign, execute, file and deliver any title, registration or certificate of ownership, UCC financing statements, and to self, leese, record interest, transfer interest otherwise dispose of the Vehicle leased by Lessee and which is financed by, assigned as collateral security to, or in which a security interest has been granted to Lessor and/or its assigns. You further grant to us a limited power of atterney to endorse, negotiate, or cash any insurance payment or claim for application to our Indebtedness to you. Lessor and/or its assigns may apply the proceeds from any such sale, lease or other disposition against any and all obligations of the Lessee to Lessor and/or its assigns. You hereby authorize us and appoint us as your attorney in fact with the power of attorney to file this Agreement, any financing statement(s) or security agreement(s) with respect to the Equipment or any other collateral you provide to us in any state in the United States. You further authorize us to file this Agreement and such linancing statements, security agreements and title or registration documents without your signature thereon in reliance on this Power of Attorney. 20. Cross Collateral;

To secure the payment and performance of each and every debt, liability and obligation of every type at description which Lessee may now or at any time hereafter owe to Fieel Financing Resources LLC (fx/a A-Z Resources, LLC ("Lessor") (whether such debt, liability or obligation now exists or is hereafter created, accurred or

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nouned, arises out of a lease installment sale contract or loan, swap, cenvative, foreign exchange, hedge or other similar agreement, whether or not it is currently contemplated by the Lessee and Lessor, whether or not any documents evidencing direfer to this Vehicle Lease Agreement, and whether it is or may be direct or indirect, due or to become due absolute or contingent, onnary or secondary, liquidated or uniquidated, joint, severa or joint and several, and all costs and expenses incurred by Lessor to obtain, preserve perfect and enforce the security interest granted herein and to maintain, preserve and collect the property subject to the security interest; all such debts, liabilities and obligations being herein collectively referred to as the "Obligations"). Lessee hereby grants to Lessor a first-priority security interest in all of the following property

Equipment: 2007 GM Thomas School Bus 1GDJG31U151156340, 2007 GM Girardin School Bus 1GBHG31U971202412, 2008 Blue Bird School Bus > 1GBJG31U271231980

logether with all substitutions, replacements, paris, accessones, supplies, improvements, additions and accessions now or hereafter affixed thereto or used in connection therewith, and all proceeds and products thereof (referred to collectively as the "Collisteral" and individually as an "item"), and all books and records of Lessee pertaining to the Collateral. After Lessee signs this Vehicle Lease Agreement, Lessee authorizes Lessor to insert any missing information or change any inaccurate information (such as the mode) year of the Collateral or its serial number or VIN) into this description of Collateral

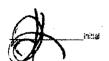
21. Cross Default:

Each of the following events shall constitute an "Event of Default":

Each or the colorwing events shall be in breach of or in default in the payment or performance of any meterial obligation under any credit agreement, conditional sales contract, lease or other contract, howsoever arising.

(ii) an event of default shall occur under any other obligation Leases or guarantor owes to Lessor.

(iii) an event of default shall occur under any indebtedness Lesses may now or hereafter owe to any affiliate of





10370 Hemet St., Suite 350 · Riverside CA 92503 · Tel (800) 421-3660 · Fax (951) 710-1016 · www.ffresources.com

Agreement # 103234 Date 09/26/13

Schedule of Equipment

This Addendum dated 09/26/13, is made a part of the Vehicle Lease Agreement # 103234 entered into and between the Lessee, identified below, on 09/26/13 and Fleet Financing Resources ("Lessor"). Unless otherwise defined herein, terms in the note shall have the same meaning when used herein.

Description	VIN#	Mileage
2007 GM Thomas School Bus	1GDJG31U151156340	102485
2007 GM Girardin School Bus	1GBHG31U971202412	140858
2008 Blue Bird School Bus	1GBJG31U271231980	85601
2008 Blue Bird School Bus	1GBJG31U771232221	81759

Lessee: Allways East Transportation, Inc.

Lessor: Fleet Financing Resources

Jydith Koller President



- 10370 Hemet St., Suite 350 - Riverside CA 92503 - Tel (800) 421-3660 - Fax (951) 710-1016 - www.ffresources.com

Payments / Installments @

Agreement # 103234 Date 09/26/13

Supplement to Agreement

This is a Supplement to the Agreement identified above between Lessor and Lessee (the agreement"). Upon the execution and delivery by Lessor and Lessee of the Supplement, Lessor hereby agrees to lease the Equipment described below upon the terms and conditions of this Supplement and the Agreement. All terms and conditions of the Agreement shall remain in full force and in effect except to the extent modified by this Supplement.

	Equipment Description:				
	Description VIN				
	2007 GM Thomas School Bus	1GDJG31U151156340			
	2007 GM Girardin School Bus	1GBHG31U971202412			
	2008 Blue Bird School Bus	1GBJG31U271231980			
	2008 Blue Bird School Bus	1GBJG31U771232221			
Successive Monthl	ONTHLY PAYMENTS/INSTALLMENTS, I y Payments/Installments in the amounts s ons of the Vehicle Lease Agreement		per paragraph three of the		
1	Pavments / Installments @	\$20,000,00			

Lessee hereby verifies the above as true and correct and acknowledges receipt of a copy hereof.

\$4,150.65

Lessee:	Allways East Transportation, Inc.	Lessor	: Fleet Financing Resources, LLC.
Signature	Foler.	Signatu	ire <u>Demb Villian</u>
Name .	Judith Koller	Name	Benita Williams
Title _	President	Title	Operations Manager

+ 10370 Hemet St., Suite 350 + Riverside CA 92503 - Tel (800) 421-3660 + Fax (951) 710-1016 + www.ffrcsources.com

Agreement # 103234 Date 09/26/13

TRAC ADDENDUM

This TRAC Addendum dated this 09/26/13 amends and supplements the terms and conditions of that certain Vehicle Lease Agreement ("Lease") (no.103234) entered into by and between the Lessee identified below and Fleet Financing Resources, LLC. ("Lessor"). Unless otherwise defined herein, terms in the Lease shall have the same meaning when used herein.

1) DEFINITIONS:

- a) "Estimated Residual Value" shall mean \$14,589.25
- b) "Actual Residual Value" shall mean the purchase price actually received by Lessor after deducting all reasonable selling and advertising expenses.
- C) "Termination Date" shall mean the scheduled expiration date of the lease.

2) TERMINAL RENTAL ADJUSTMENT CLAUSE:

- a) During the 60-day period prior to the Termination Date, Lessee may market the Vehicle(s) and solicit prospective parties for the purchase of the Vehicle(s). Lessor shall review any offers to purchase the Vehicle(s) from prospective purchasers, including an offer from Lessee.
- b) If an offer to purchase the Vehicle(s) is accepted by Lessor, then the Vehicle(s) shall be sold by Lessor to the highest bidder within ten (10) days after the Termination Date and the Actual Residual Value shall be equal the purchase price actually received by Lessor after deducting all reasonable selling and marketing expenses.
- c) If the Actual Residual Value is less than the Estimated Residual Value, then Lessee shall pay such deficiency to Lessor on the Termination Date and shall have no further rights to the Vehicle(s).
- d) If the Actual Residual Value equals or exceeds the Estimated Residual Value, then (i) Lessor shall retain the Estimated Residual Value and (ii) Lessor shall pay the excess amount (less all reasonable selling and marketing expenses) to Lessee on the later of the Termination Date or ten (10) days after any sale by Lessor of the Vehicle(s) subsequent to the Termination Date.
- e) If no offer is received, or if no offer to purchase the Vehicle(s) is accepted by Lessor or if the Vehicle(s) is not sold for any reason, then the Actual Residual Value shall be deemed to be zero (0) and the Lessee shall be deemed the purchaser and shall pay the Estimated Residual Value to Lessor.
- f) Lessor shall, upon receipt of the purchase price of the Vehicle(s), convey title to the Vehicle(s) to the purchaser by a bill of sale, which transfer shall be "AS-IS, WHERE IS", with all faults, without recourse to Lessor and without any representation or warranty of any kind whatsoever by Lessor, express or implied.

3) GENERAL:

- a) If an event of default occurs and is continuing under the Lease, the failure by Lessee to perform or observe any other term, covenant, or condition of this Master Lease or any Equipment Schedule, which is not cured within 5 days of receipt of notice thereof from Lessor or Assignee, then: Lessor shall have all the rights and remedies provided by the Lease, and this Addendum; Lessor shall have no duty or obligation to pay any excess amount to Lessee under Section 2 of this Addendum; and Lessor shall account for the proceeds of any disposition of the Vehicle(s) only as set forth in the Lease.
- b) Except as expressly amended by this Addendum, all terms and conditions, of the Lease shall remain in full force and effect including, without limitation, Lessee's obligations with respect to the return of the Vehicle(s) at the end of the Lease term.
- Lessee has been advised that Lessee will not be treated as the owner of the Vehicle(s) for federal income tax purposes.
- d) Lessee agrees that if any fine, penalty or other assessment is levied or assessed against any of the Vehicles(s) (a "Levy"), the Lessee shall pay the amount of any Levy immediately upon notice thereof. If payment of any Levy is sought from Lessor or if nonpayment of any Levy may involve the seizure, forfeiture of loss of any Vehicle(s), then, Lessor may pay, but shall not be obligated to pay, the amount of such Levy. Lessee waives notice of any such Levy prior to Lessor's payment thereof, and Lessee agrees to reimburse Lessor any amount paid by Lessor in connection therewith immediately upon Lessor's request.

Lessee:	Allways East Transportation, Inc.	Lessor:	Fleet Financing Resources, LLC.
By:	Day.	Ву:	Leulo Vellions
Print:	Judith Koller	Print:	Benita Williams
Title:	President	Title:	Operations Manager

EXHIBIT B

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		VEI	HICLE LEASE AG	REEMENT			
Fleet Financing 10370 Hemet Str		treet. Suite 350		Lease Ag	reement		
		Riverside, CA 9			Num		Date:
(Lessor)		•)-1010 Fax: (951) 7	10-1016	103		09/22/15
			<u></u>				09/22/15
A. Lessee:	•	st Transportation inc.	Supplier:	Action Au	to Mart, Inc.	•	
	• • •	rtian Avenue		250 E. Har	tsdale Aver	nue	
	Yonkers, N	Y 10703		Hartsdale,	NY 10530		
				rancoudio,			
	· 				<u>-</u>		
B. Equipme	nt Description:	See Attached Supplem	ent -Lessee acknow	vledges rece	ipt of Suppler	nent	Į.
C. Schedule	of Payments:				<u>. </u>		
		Amount of Each Payment	Total Initial Day	405 000	00		,
Initial Term	Total number	(Plus applicable taxes)	Total Initial Paym	JUS, COC JUB	1.00		
(in months)	of Payments	SEE ATTACHED	First in advance	Last in	advance	Doc. Fee	Deposit
55	55	SUPPLEMENT	X			1	NONE
77.0				<u> </u>			
Mileage Cha	irges: Unlimited i	alles may be accumulated per each 1	2-month period. Lessee (must pay <u>zero</u> ci	ints per mile for i	nlienge in excess of t	he allowed amount.
Disposition All	emative: TR	AC Lease		(Option Amount:	See TRAC	Addendum I
		or following page, section 6, for descri	ption of Disposition Alternal		•		
D. DISCLARE	R OF WARRANTIES	AND CLAIMS: LIMITATION OF REME	DIES. THERE ARE NO WAR	WATTES BY OR O	SEHALF OF LESS	OR AND NEITHER THE	UPPLIER NOR ANY OTHER PARTY
IS LESSOR'S AGE	NT. LESSEE ACKNOW!	EDGES AND AGREES BY ITS SIGNATURE	BELOW AS FOLLOWS: (A)	LESSOR MAKES N	O WARRANTIES EF	THER EXPRESSED OR I	MPUED AS TO THE CONDITION OF
THE SOURPMENT	ITS MERCHANTARIUS	Y ITS FITHERS OR SHITARRITY FOR	ANY PARTICLEAR PLERFOR	FITR DESIGN D	is compation. Its	CAPACITY, ITR CHAI	TRY OR WITH RESPECT TO AMY
CHARACTERISTIC	8 OF THE EQUIPMENT	(B) LESSEE LEASES THE EQUIPMENT " (D) IF THE EQUIPMENT IS NOT PROPE	AS 15° AND WITH ALL FAUL	'8; (C) LESSEE A	XNOWLEDGES TH	AT THE EQUIPMENT IS	LEASED TO LESSEE SOLELY FOR
COMMERCIAL OR	BUSINESS PURPOSES	(D) IF THE EQUIPMENT IS NOT PROPE	RLY INSTALLED, DOES NOT	OPERATE AS RE	PRESENTED OR W	angramied by the Su	PPLIER OR MANUFACTUER, OR IS
		egároless of Cause or Conseque) Ll have no remeny for Consequent					
		OF THE OBLIGATION TO MAKE PAYMENTS					
E. Statutory Fir	ance Lease ("Agre	oment"): Lessee admonistiges and agree	s that it is the intent of both part	ies to this Agreeme	t that it quality as a c	delatory finance lease and	ler Afficie 2A of the Uniform
Commercial Code.	Lesses acknowledges as	id agrees that Lesson has selected both: 1) fi	o Equipment and 2) Supplier t	am whom Lessor is	to pustione the Equ	priorit. Lesses actinomie	dges that Lessor has not participated
in Lescon's solectio	n of the Equipment or of t	he Supplier, and Laseor has not solected, ma	nutactured, or supplied the Equ	Apmeal Lesses ac	knowledges that by t	ME Agreement, Leasor Hel wheat the Proportion Leas and	i informed League in Willing Puit
firmitations of such d		dract evidencing Leason's purchase of the Eq	nthinns now on orthog care	est th russes sun a	AL LINES AND AND CO.	neers and conhisten are 4 as	scuberu or and anex utens ears with
		f this Agreement may be amended, aftered, w	raived, or discharged except by	a writion instrumen	signed by at perior	to this Agreement.	
THIS AGREEMENT, THE TERMS OF WHICH HAVE BEEN FREELY MEDIOTIATED BY EACH PARTY, IS BUBLECT TO THE TERMS AND CONDITIONS ON THE REVERSE SIDE OR FOLLOWING PAGE WHICH ARE MADE. A PART HEREOF AND WHICH LESSEE AND LESSOR ACIDIONILEDGE THEY HAVE READ AND ACCEPTED.							
			NON-CANCELABL			B-16X	
I POOFF IMP	DOTANDE AND AG	i Fils a KNOWLEDGES THAT NO SUPPLIE				ED IS AN ACENT OF	ELEGGOD NO GUIDDI IED
		OF ANY SUPPLIER, IS AUTHORIZ					
NOR ANT SAL	ESMAN, OR AGEN	UP ART SUPPLIER, IS AUTHORIZ	EU IU WAIYE UK ALIE	SANTIERM		AT ING CENGE, AND	AFFECT LEBERE'S DUTY
		ER MATTER BY THE SUPPLIER, N			MI SUPPLIER,	DIMLE MART WAT	AFFECT LESSEE & DOTT
TO PAY THE R	ENTALS AND TOP	ERFORM LESSEE'S OBLIGATIONS	SEI FOR IN MI IMPS LE	EASE.		ı	
Lessor. F	LEET FINANCII	NG RESOUNDED LE	Less	ee: A	liway a E ast	ransportation In	c.
					· AX	<u> </u>	
By:			Signal Signal	sture: _>	A LO		
		V			UNY	_	
Title: A	n Authorized Of	ficer Tylereof	Title:		udîth Koller,	President	10
Guaranty: In consideration of Lessor its successors and assigns entering in to this Agreement, the putylet or individually) executing this Guaranty (Guarantor,							
whether one or more) inconditionally and inevocably guaranty to Lessor's assigns, the prompt payment and parameters of the configurate or the							
Lessee. Generator agrees that this is a guaranty of payment and not of collection, and final Lessor can proceed directly against Guarantor without linet proceeding against the Equipment covered by the Agreement. Guarantor valves all delenses and notices, including those of protest, presentment, and Personnii Guarantor Signature							
rhanning Community screen find Lander can making at clientains modify the latter of the Accounted and Superiority will be bound by store charges. If							
I neare defeable or	der the Accressed Cast	ncherido la exches visialment llu voice	a of Lecene Woder the Adresic	ment, includies, but	nol limited to, paying		
amounts due unde	empents due under the Agreement. Guaranter will pay to Lessor all expenses (including atomeys' fixed) incurred by Lessor in enforcing Lessor's rights against Guaranter, This Guaranty will not be discharged or effected by the death, dissolution, termination, benincipley or insolvency of Lessoe or Guaranter and will bind						
Gueranior. This G	UNITARY WEI ROL DE CIRCH	inged or affected by the deem, dissolution, it successors and assigns. If more then one	smanacum, comeupay or more Gueroche het ekneel this Os	sensy or casson or sensy each Gover	plor mornes that ble	her	
ابده لطما ما بطلالية	covered Coverants and	whee I seem or any of Lasson's designate is	s obtaks and share with others:	COLUMN TRACES		DTS .	
named and a	d make other courle force	king that I acone distressione are recessory.	THIS GLIARANTY IS GOVE	ENED BY THE LAY	15 OF THE STATE	0F	
CALIFORNIA GI	CALEGRINAL GUARANTOR CONSENTS TO THE JURISDICTION OF ANY STATE OR FEDERAL COURT LOCATED IN CALIFORNIA OR IN ANY OTHER						
STATE WHERE LI	STATE WHERE LESSOR HAS AN OFFICE. QUARANTOR EXPRESSLY WAVES ANY RIGHT TO A THAL BY JURY.						

TERMS AND CONDITIONS

1. Definitions: Reporte: The words 'you' and 'you' safer to the LESSEE, its successors and assigns, as shown on the reverse side or preceding page, as applicable (the 'list page'). The words 'we', 'us', and 'our eler to the LESSOE, its successors and assigns as shown on the first page. You authorize us and our designest to obtain investigative credit aports requesting you and each guaranter from a credit bureau or a credit aparcy and to investigate the reterences given on any sistement or date obtained, and to share such reports with others.

2. Acceptances: Lessee agrees to inspect the Equipment and to expose an Actinoviedgement and Acceptance of Equipment by Lessee notice, as provided Lessor, efter Lessee is satisfied that the Equipment is satisfatory in every respect to the Equipment. Lessee homely authorizes Lessor to insert in this Lesse senial numbers of other Identifying date with respect. We agree to lesse to you, and you agree to lesse from us, the equipment, items, products, software, services, and other personal property described or referenced on the first page ("Equipment") for the term shown on the first page ("Equipment"). We shall have no obligations hereunder until we accept and sign this Agreement and in the Equipment and chartlet page rand shall be admissible for all justposes as the original Agreement. You agree to promptly forward to us the Agreement with your manual signature thereon and upon receipt by us the Agreement with your manual signature thereon and upon receipt by us the Agreement with your manual signature thereon and upon receipt by us the Agreement with your manual signature thereon and upon receipt by us the Agreement with your manual signature thereon and upon receipt by us the Agreement with your manual signature thereon and upon receipt by us the Agreement with your manual signature thereon and upon receipt by us the Agreement with your manual signature thereon and upon receipt by us the Agreement with your manual signature thereon and upon receipt by us the Agreement with

3. Payse exhibitismin Rent: Taks Leave shall commence upon the unition acceptance hereof by Lessor. You promite to pay us the payments shown on the first page, in advance, commencing as of the first day of the initial Terms and conflucing on the Twenty-Fifth day of each month in which a payment is dow, without need of an involce; provided, as indicated in the Schedule of Payments, the payments included in Total taking Payment, shall be paid upon your execution of this Agreement. If the contemplated leave transaction is not consummated, the Total taking Payment may be retained by us as partied compensation for costs and expenses incurred in preparation for the transaction. On the first sty of the lottled Terms, you agree to pay a major to pay as an inharise rent amount, excell to 1909 of the smoothly mental anotheries for the number of days, disposing between the date on which the first apprential is made to the Supplier and the first day of the lattled Terms.

Your obligation to make payments and pay other sprinting the ounce is absolute and unconditional and not subject to abstence, reduction or set-off for any release terms over, if the date on which all payments have been made to the Supplier for the Equipment is the Twenty-Fifth day of a calendar month, then the initial Term shall commence on the Twenty-Fifth day of the lottlewing calendar month; and in each case the Initial Term shall continue for the number of rannite. 3. Paymentalisterim Rent: This Lesse shall commence upon the untilen acceptance hereof by Lessor.

the following calendar month; and in each case the Initial Term shall continue for the number of months indicated on the first page.

VEHICLE LEASE AGREEMENT

Terms and Conditions - Continued Agreement Number: 103861

The Deposit shown on the first page shall not beer interest and we may apply the Deposit to cure any default, in which event you will promptly restore the Deposit to its full amount. After all of the obligations under this Agreement are fully paid and performed, any remaining belance of the Deposit shall be refunded to you after the return of the Equipment to us at the termination of the initial Term or of any Renewal Term.

the enturn of the Equipment to us at the interinguition of the lattice flarm or of any Renewal Term.

4. Linbility; Location: We are not responsible for any losses or injuries caused by the installation or use of the Equipment. You agree to reimburse us for and to defend as against all claims for losses or injuries caused by the Equipment. You agree to resintalin records showing the location of each item of Equipment and/or to report the location of each item of Equipment and/or to report the location of each item of Equipment and/or to report the location of each item or Equipment shall constitute default.

report such location to us upon our request. Your failure, to melatela records showing the location of each term of Equipment shall constitute default.

S. Maintenance; lestablides: You are responsible for instelling sed tasping the Equipment and opposition of each term of the continuous control of the co

Fair Market Value (FBIV): If this Alternative is estected, at the end of the initial Term, you shall it

- For marker Value plays; if the Alternative is detected, a fine end of the marker value, you shall not feel the option to (p) includes all four is not tens. I han ally of the Equipment for a Purchase Amount that is equal to the Equipment's Feir Market Value. Stated Purchases Options if the Alternative is selected, at the end of the Initial Torm, you shall have the option to (p) enter the Equipment in the equal to the end of the Initial Torm, you shall have the option to (p) enter the Equipment on the stated Purchase Amount.
- Dollar Purchase Option: At the end of the Initial Term, you may purchase the Equipment for such C.

Dotter instruction Oppose: All the end of the latted Terms, you must satisfy the terms of the Trac Lease Addendum.

D. Trac Lease: At the end of the latted Terms, you must satisfy the terms of the Trac Lease Addendum.

E. Closed End Lease: At the end of the Initial Terms, you must satisfy the terms of the Closed End Lease Addendum.

E. Closed End Lease acknowledges receipt of Closed End Lease Addendum

E. Other: If this Prechase Alternative is indicated, an addendum explaining the terms and conditions of seld alternative must be included in this Agreement.

7. Insurance: You agree at all times to: (1) Insura the Equipment against sits of loss, in an account no lass then the full replacement value of the Equipment, with loss payable to the Lessor, (6) maintain general public liability Insurance, including but not firrilled to product fletibity coverage, learning Lessor and Lesses, with a severability insurance, including but not firrilled to product fletibity coverage, learning Lessor and Lesses, with a severation of the Equipment, with such limits and with an issuer additional in connection with the condition, use, or operation of the Equipment, with such limits and with an issuer additionary to Lessor, and (6) acme us on the policy as Loss Payes and Additional insured ell as required by a and from argument who is acceptable to us. You agree to provide us curificates or nitrer evidence of inparance acceptable to us, before the Agreement term beging, and during the term. If at any time you have filled to defice to us a valid curificate of insurance reflecting such insurance as being in effect, then we will, in addition to the other remedies available hereunder, how the sight, but no obligation, to: (1) have such insurance protecting us placed for the term of the Agreement for the first insurance together with literact thereon at the residence are force for our ordered as and only the second of the termination together with literact thereon at the residence are forced from the course.

insurance together with interest fluoreon at the maximum rate permitted by applicable tare, and/or (ii) charge a late charge as set forth below.

In these and Fees: You agree to pay when due or reimburae us for all taxes, fees, fines and possibles retaing to use or oversenthy of the Equipment or to this Agreement, including documentary stamp laces, now or hereefter Imposed, bevied or assessed by any federal, state or found government or agency.

In Personal Property: The Agreement is construed to be a financing, you grant us a security interest in the Equipment and all proceeds thereof and further grant to you a security interest in at of our soccounts, receivables, and rights to payment and all proceeds thereof and further grant to you a security interest in the Equipment and all proceeds thereof and further grant to you a security interest in at or counts, accounts receivables, and rights to payment secure and further agree that accounts receivables, and rights to payment secure and of our obligations to you or your assigns. The Equipment will be and chalf remain personal property and, if requested by us, you will obtain real property welves salidisatory to its. You shall feet the Equipment from any and all fines and encumbrances, You shall feet us immediate notice of any electionent from the form any and all fines and encumbrances affecting the Equipment. You also agree to pay us on demand filing, registration, and releasing feet prescribed by the Uniform Commencial Code ("UCC") or other law.

10. Titled Equipment. Any Equipment, that is subject to title significant shall be titled and registered as directly by us within 10 days of Lassee's receipt of the Equipment. If the Equipment is not timely or recovered to the found remains undiffered mental and resistered within 10-days period the hards as a static below and for each additional 39-day term the Equipment remains undiffered mental promises under the payment of the property of the perform any of your other covernants and promises under the observables of

or take any actions regarding the cessation or winding up of your business affairs, you will be in default. If

Lessee is in default. Lessor may enter upon Lessee's premises and without any court order or other process of s and remove the Equipment, or render the Equipment unusable without removal, at or without notice to Lessace hereby weive any trespass or right of action for damages by reason of such entry, removel, or disabling. Any such repossession shall not constitute a termination of this lease unless Lessor so notifies Lessee in writing. If you are in default, at our election, we can accelerate and require that you pay, as nable liquidated damages for loss of bergain, the "Accelerated Balance". The Accelerated Bala

reasonable liquidated damages for loss of bergain, the "Accelerated Estance". The Accelerated Éstance will be equal to the total of (II accelerated end onpaid smounts, (ii) the entering payments and (iii) the solut cost to so of the Equipment multiplied by 20%. We can elso pursue any of the remodeles available to so under the UCC or any law. In addition, you agree to pay our reasonable attorneys' less and actual costs including repossession and collection costs, and at non-sufficient tunds charges and einiter obstiges. To the extent permitted by ten, you waive all dights and remedies conferred opon a lessee under Article 2A of the UCC.

12. Late Charge: If Lessee shall bell to make any payment required by this Lesse within 10 days of the due date thereof, Lessee shall puy to the Lessor a service charge of 8% of the amount due, provided, however, that not more then one such service charge shall be made on any delinquent payment regardess of the length of the delinquency. In addition to the service charge, Lessee shall pay to the Lessor a \$100 default les with respect to any payment, which becomes thirty (30) days post due. Lessee shall pay to Lessor interest on any delinquent payment or amount due under this Lesse from the due date thereof until paid at the lesser of the mainingen rate of interest aboved by law or 18% per annum. on rate of interest allowed by law or 18% par unna

13. Time of Essawor: These is of the essance of this Lease, and this provision shall not be implicitly waived by the acceptance on occasion of late or defective performance.

vents; taspection: YOU HAVE NO RIGHT TO SELL, TRANSFER, ASSIGN, SUBLEASE OR

Transmiss name of Esswarce: Three is of the seasons of this Lease, and this provision shalt not be implicitly welved by the acceptance on occasion of fails or defective performance.

14. Assignments; losspecifics: YOU HAVE NO RIGHT TO SELL TRANSFER, ASSIGN, SUBLEASE OR ENCURBER THE ECURPHENT OR THIS AGREEMENT. We may sell, treasfer, essign, or encurther this agreement, You agree that it we note; treasfer, sessing, or encurther this Agreement, the estignes will have the rights and benedits that we estign to the essignes and will not he subject to eary delete, defenses or self-off that you may have against us. We are our against the treasmin self-off that purpose to have access to the location of the Equipment. You give that the right at any time during register business hours to inspect the Equipment and for that purpose to have access to the location of the Equipment.

15. Rick of Least: You handly assume and shall bear the entire dat of loss, then, thanges and destination of the Equipment pour of the coligation to make the standards payments or any other obligation under this Agreement strail results in lat force and effect, except to accordance or the Equipment of the Equipment and the force and effect, except to accordance or with the Agreement strail results in lat force and effect, except to accordance or under this Agreement strail results of the strail of the season of the Equipment cannot be repoined or its lost, stokes or suffers a constructive loss under an insurance policy consent, the Equipment, your, at our option, shall all your agrees see 1981 the accidence of the consent value of the strail of the accidence of the coling amounts, (if) the exception of the Equipment, your accessing values and the section of the strail of the accidence of the coling amounts, (if) the exception of the initial Term).

16. Cancice of Leart Connected to Judicidica; Venues: This Agreement shall be interpreted, and all rights and facilities of the parties because and the connected of the parties because of the because o naining excess will be refunded you

19. Invercable Limited Power of Attorney: Lessee does hereby irrevocably appoint Lessor and/or its assigns the true and lawful Altorney-in-Foct coupled with and laterest with full authority and power to do and perform all and every act and filing whatsoever regulate and necessary to be done in the pennises, as fully, to all intent and purposes as Lessee might or could do if personally present, with full power of substitution and revocation, to complete, stop, exacute, like and deliver any title, registration or cordificate of ownership, UCC thrancing statements, and to sell, losse, record interest, transfer interest otherwise dispose of the Vehicle leased by Lessee and which is financed by, essigned as continent security to, or in which a security laterest has been granted to Lessor and/or its assigns. You further grant to us a limited power of attorney to endouse, negotiate, or each any insurence payment or claim for application to our indebtedness to you. Lessor and/or its assigns may apply the proceeds fourt any such sale, lease or other disposition against any and all obligations of the Lessee to Lessor and/or its assigns. You hereby authorize us and application as a your atomey-fu-fact with the power of attorney to file this Agreement, any limanoing atelement(s) or security agreement(s) with respect to the Equipment or any other colleteral you provide to us in any state in the United States. You further authorize us to file this Agreement and such financing statements, security agreements and title or registration documents without your signature thereon in reliance on this Power of Attorney. 19. Irrevocable Limited Power of Attorney: Lesses does hereby irrevocably appoint Lessor and/or its

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20. Cross Collateral:

To secure the payment and performance of each and every dist, lability and obligation of every type and description which Lessee may now or at any time hareafter own to Fleet Financing Resources LLC (five A-Z Resources, LLC (Lossor)) (whether such dist, liability or obligation now exists or it hereafter created, acquired or incurred, areas out of a lease, instaltment sale contract or loan, swap, desivative, foreign exchange, hadge or other striker agreement, whether or not it is currently contemptated by the Lessee and Lessor, whether or not any documents evidencing it refer to this Vehicle Lesse Agreement, and whether it is or may be direct or indirect, due or to become due, absolute or confingent, primary or secondary, fleetisted or unflightfueld, joint, several or joint and several, and all costs and expenses incurred by Lessor to obtain, preserve, partiect and article the security interest granted herein and to maintain, preserve and collect the property subject to the security interest granted herein and to maintain, preserve and collect the property subject to the security interest and obligations being herein collectivity referred to as the "Obligations"), Lessee hereby grants to Lessor a first-priority security interest in all of the following property.

Equipment: Four (4) 2015 IC School Buses VRt. 4DRBUAANNFB032519, 4DRBUAANNFB032520, 4DRBUAAN2FB032521, 4DRBUAAN4FB032522 and Phodged Collisional 2008 IC School Bus VIN 4DRBUAAN5RB649575 and 2007 IC School Bus VIN 4DRBUAAN77B358185

logether with all utbellutions, replacements, parts, accessories, supplies, improvaments, additions and accessions now or hereafter attitued thereto or used in connection thereoffs, and all proceeds and products thereof (prisoned to collectively as the "Colletteral" and individually as an "front"), and all books and records of Lessee pertaining to the Collecteral. After Lessee signs this Vehiclo Lessee Agreement, Lessee authorizes Lessor to insert any raiseing information or change any inscrinate information or change any inscrinate information (such as the model year of the Collecteral or its serial number or VM) into this description of Collecteral.

21. Cross Default:
Each of the following events skall constitute an "Event of Default":
(i) Lasses or any guaranter shall be in breach of or in default in the payment or performance of any material obligation under any credit agreement, conditional sales contract, bears or other contract, hoseover arising;
(ii) an event of default shall occur under any other obligation Lasses or guaranter cours to Lassor;
(iii) an event of default shall occur under any indebtachases Lasses may now or hassalter owe to any attligite of Lassor.



FLEET FINANCING RESOURCES, LLC.

+ 10370 Hemet St., Suite 350 + Riverside CA 92503 + Tel (800) 421-3660 + Fax (951) 710-1016 + www.ffresources.com +

Agreement # 103861 Date 09/22/15

Supplement to Agreement

This is a Supplement to the Agreement identified above between Lessor and Lessee (the agreement*). Upon the execution and delivery by Lessor and Lessee of the Supplement, Lessor hereby agrees to lease the Equipment described below upon the terms and conditions of this Supplement and the Agreement. All terms and conditions of the Agreement shall remain in full force and in effect except to the extent modified by this Supplement.

SCHEDULE OF MONTHLY PAYMENTS/INSTALLMENTS, PER SCHEDULE:

Successive Monthly Payments/Installments in the amounts shown below shall be due as per paragraph three of the Terms and Conditions of the Vehicle Lease Agreement

1	Payments / Installments @	\$65,800.00
9	Payments / Installments @	\$12,325.00
2	Payments / Installments @	\$ 3,000.00
10	Payments / Installments @	\$12,325.00
2	Payments / Installments @	\$ 3,000.00
10	Payments / Installments @	\$12,325.00
2	Payments / Installments @	\$ 3,000.00
10	Payments / Installments @	\$12,325.00
2	Payments / Installments @	\$ 3,000.00
7	Payments / Installments @	\$12,325.00
7		

Lessee hereby verifies the above as true and correct and acknowledges receipt of a copy hereof.

Lessee:	Allways East Transportation Inc.	Lessor:	Fleet Financing Resources, LLC.
Signature	D00001	Signature	
Name _	Judith Koller	Name _	James M. Ky
Title _	President	Title _	Dir of Op



- 10370 Hemel St., Suite 350 · Riverside CA 92503 · Tel (800) 421-3660 · Fax (951) 710-1016 · เพษาษ.ffresources.com ·

Agreement # 103861 Date 09/22/15

TRAC ADDENDUM

This TRAC Addendum dated this 09/22/15 amends and supplements the terms and conditions of that certain Vehicle Lease Agreement ("Lease") (no.103861) entered into by and between the Lessee identified below and Fleet Financing Resources, LLC. ("Lessor"). Unless otherwise defined herein, terms in the Lease shall have the same meaning when used herein.

1) DEFINITIONS:

- a) "Estimated Residual Value" shall mean \$25,600.00
- b) "Actual Residual Value" shall mean the purchase price actually received by Lessor after deducting all reasonable selling and advertising expenses.
- C) "Termination Date" shall mean the scheduled expiration date of the lease.

2) TERMINAL RENTAL ADJUSTMENT CLAUSE:

- a) During the 60-day period prior to the Termination Date, Lessee may market the Vehicle(s) and solicit prospective parties for the purchase of the Vehicle(s). Lessor shall review any offers to purchase the Vehicle(s) from prospective purchasers, including an offer from Lessee.
- b) If an offer to purchase the Vehicle(s) is accepted by Lessor, then the Vehicle(s) shall be sold by Lessor to the highest bidder within ten (10) days after the Termination Date and the Actual Residual Value shall be equal the purchase price actually received by Lessor after deducting all reasonable selling and marketing expenses.
- c) If the Actual Residual Value is less than the Estimated Residual Value, then Lessee shall pay such deficiency to Lessor on the Termination Date and shall have no further rights to the Vehicle(s).
- d) If the Actual Residual Value equals or exceeds the Estimated Residual Value, then (i) Lessor shall retain the Estimated Residual Value and (ii) Lessor shall pay the excess amount (less all reasonable selling and marketing expenses) to Lessee on the later of the Termination Date or ten (10) days after any sale by Lessor of the Vehicle(s) subsequent to the Termination Date.
- e) If no offer is received, or if no offer to purchase the Vehicle(s) is accepted by Lessor or if the Vehicle(s) is not sold for any reason, then the Actual Residual Value shall be deemed to be zero (0) and the Lessee shall be deemed the purchaser and shall pay the Estimated Residual Value to Lessor.
- f) Lessor shall, upon receipt of the purchase price of the Vehicle(s), convey title to the Vehicle(s) to the purchaser by a bill of sale, which transfer shall be "AS-IS, WHERE IS", with all faults, without recourse to Lessor and without any representation or warranty of any kind whatsoever by Lessor, express or implied.

3) GENERAL:

- a) If an event of default occurs and is continuing under the Lease, the failure by Lessee to perform or observe any other term, covenant, or condition of the Vehicle Lease Agreement, which is not cured within 5 days of receipt of notice thereof from Lessor or Assignee, then: Lessor shall have all the rights and remedies provided by the Lease, and this Addendum; Lessor shall have no duty or obligation to pay any excess amount to Lessee under Section 2 of this Addendum; and Lessor shall account for the proceeds of any disposition of the Vehicle(s) only as set forth in the Lease.
 - b) Except as expressly amended by this Addendum, all terms and conditions, of the Lease shall remain in full force and effect including, without limitation, Lessee's obligations with respect to the return of the Vehicle(s) at the end of the Lease term.
 - c) Lessee has been advised that Lessee will not be treated as the owner of the Vehicle(s) for federal income tax purposes.
 - d) Lessee agrees that if any fine, penalty or other assessment is levied or assessed against any of the Vehicles(s) (a "Levy"), the Lessee shall pay the amount of any Levy immediately upon notice thereof. If payment of any Levy is sought from Lessor or if nonpayment of any Levy may involve the seizure, forfeiture of loss of any Vehicle(s), then, Lessor may pay, but shall not be obligated to pay, the amount of such Levy. Lessee waives notice of any such Levy prior to Lessor's payment thereof, and Lessee agrees to reimburse Lessor any amount paid by Lessor in connection therewith immediately upon Lessor's request.

Lessee:	Allways East Transportation Inc.	Lessor:	Fleet Financing Resources, LLC.
Ву:	Ru	B y :	\bigcirc $M/=$
Print:	Judith Koller	Print:	James us lan
Title:	President	Title:	Dir of an